

**Internal Policy/Procedure Manual Policy**

Policy Area: Accounting & Financial Reporting	Effective Date: 7/1/1995
Policy Sub Area: Capital Assets	Last Revision Date: 1/22/2007
Authority: G.S. 143D-6	Policy Owner/Division: Statewide Accounting
<p><u>Policy</u></p> <p>Each agency is required to have an Internal Policy/Procedure Manual to detail the agency's capital asset requirements. This manual will not replace the requirements set forth in this manual, but will individualize the policies/procedures for each agency.</p> <p>The Internal Policy/Procedure Manual should be issued to all persons in the agency dealing with capital assets. This includes, but is not limited to, the fixed assets officer, the entry clerks, and the chief fiscal officer.</p> <p>The Internal Policy/Procedure Manual must be kept up to date with any changes in the agency, or the agency philosophy. The changes are to be updated in the manual as they occur.</p> <p>The following are examples of fixed asset requirements which may need additional detail policies/procedures recorded.</p> <ol style="list-style-type: none">1. Inventory items - Agency management has the option of tracking capital assets valued between \$500 and \$4,999.99. Management must document the threshold level chosen.2. Depreciation - What depreciation method is used, how it is calculated, when it is recorded and any other information pertinent to the depreciation calculation.3. Inventory - Inventory methods, when inventory is to be taken, inventory procedures and how exceptions are to be handled. Detail policies and procedures for the inventories taken when there is a change in management.4. Separation of Duties - Each department will document the position responsible for each capital asset duty.	
<p><u>Procedures</u></p> <p>NA</p>	

Accounting Guidance

NA

Related Documents (Memos/Forms)

[Capitalization Policy](#)
[Depreciation Policy](#)
[Physical Inventory Policy](#)
[Separation of Duties Policy](#)

Revision History

Date	Description
01/22/2007	Policy updates